

Senate Bill 176

By: Senators Heath of the 31st and Murphy of the 27th

**AS PASSED SENATE**

**A BILL TO BE ENTITLED  
AN ACT**

To amend Chapter 20 of Title 47 of the Official Code of Georgia Annotated, the "Public Retirement Systems Standards Law," so as to provide that on and after July 1, 2010, any increase in the actuarial accrued unfunded liability to a public retirement system which occurs as a result of the enactment of legislation shall be fully funded in the year in which such legislation becomes effective; to provide for related matters; to repeal conflicting laws; and for other purposes.

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

**SECTION 1.**

Chapter 20 of Title 47 of the Official Code of Georgia Annotated, the "Public Retirement Systems Standards Law," is amended by revising subsection (a) of Code Section 47-20-36, relating to the scope of an actuarial investigation and certificate and summary of investigation attached to the fiscal retirement bill, as follows:

"(a) If an actuarial investigation of a retirement bill having a fiscal impact is requested under Code Section 47-20-35, it shall be the duty of the state auditor to complete or cause to be completed such actuarial investigation by not later than November 1 of the same year during which the request for the actuarial investigation was made. The actuarial investigation shall include, but shall not be limited to, findings on the following factors as such factors are relevant to the retirement bill under consideration:

(1) The dollar amount of the unfunded actuarial accrued liability which will result from the bill for the retirement system affected by the bill;

(2) The dollar amount of the annual normal cost which will result from the bill for the retirement system affected by the bill; and

(3) A statement of the ~~employer contribution rate currently in effect for the retirement system affected by the bill;~~ full amount of appropriation necessary to ensure that no actuarial accrued unfunded liability will be created as a result of the passage of the bill.

~~(4) A statement of the employer contribution rate, which must be in conformity with the minimum funding standards specified by Code Section 47-20-10, recommended for the retirement system affected by the bill; and~~

~~(5) A statement of the dollar amount of the increase in the annual employer contribution, if an existing retirement system is affected by the bill, or a statement of the total annual employer contribution, if a new retirement system is established by the bill, which will be necessary to maintain the retirement system affected or established by the bill in an actuarially sound condition."~~

## SECTION 2.

Said chapter is further amended by revising subsection (b) of Code Section 47-20-50, relating to the effective date of enacted retirement bills with fiscal impact, unfunded enacted bills, and requirements for retirement bills having fiscal impact, as follows:

"(b) When a retirement bill having a fiscal impact amends a retirement system having employer contributions funded from appropriations by the General Assembly, then appropriations for the first fiscal year of effectiveness of the bill, after it becomes law, must include funds to pay the amount determined by the actuarial investigation under paragraph ~~(5)~~ (3) of subsection (a) of Code Section 47-20-36 or subsection (b) of Code Section 47-20-37, and future appropriations for subsequent fiscal years must include an amount necessary to maintain the actuarial soundness of the retirement system in accordance with the findings of the actuarial investigation. Any limitation on the rate of employer contributions that may be included in a law which is the source of authority for a retirement system affected by this subsection shall be amended to the extent necessary to comply with the requirements of this subsection to be the full amount of appropriation necessary to ensure that no actuarial accrued unfunded liability will be created as a result of the passage of the bill."

## SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.